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BGL Simple Fund Guidelines

V-Wrap Help Sheet

Client Services

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About this document

Audience

This document is intended for V-Wrap users who want to create and maintain an interface with the Simple Fund application.

This document assumes that you already have a good working knowledge of both V-Wrap and Simple Fund.

Objectives

The document describes how to:

- Set up an interface between V-Wrap and Simple Fund
- Upload historical data from Simple Fund into V-Wrap
- Maintain cash books and transaction and income history in V-Wrap
- Export data from V-Wrap to Simple Fund for reporting purposes.

The document also includes some troubleshooting information on what to do when you receive unexpected results.

Related documentation

For new V-Wrap Users, all non-Simple Fund related processes are discussed in the V-Wrap User manual, which is available from http://www.praemium.com.au/get-help.html.

Simple Fund users must ensure they are on the latest release of the software, which is available from http://clients.bglcorp.com.au/.

Upload data from Simple Fund into V-Wrap via the XML File Upload

The process for using an XML File Upload to upload data from Simple Fund into V-Wrap involves:

- Setting up the link between Simple Fund and V-Wrap
- Creating the upload file in Simple Fund
- Uploading the file into V-Wrap
- Reconciling the data in V-Wrap to the data in Simple Fund.

Setting up the link between Simple Fund and V-Wrap

Before any uploads can take place, a link needs to be set up to transfer data between Simple Fund and V-Wrap into the correct portfolio/accounts.

1. In V-Wrap, select the portfolio in the main Portfolio List screen.
2. From **Maintenance** > **Data Download** > **BGL**, click **BGL Simple Fund Export**.
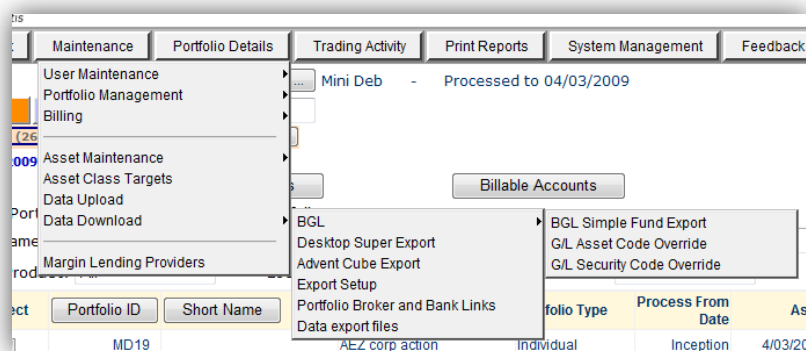
3. Enter the Simple Fund account code (for example, PR001) into the **BGL Fund Code** box.

4. Click **Save Details** before exiting the screen.

Creating the file in Simple Fund
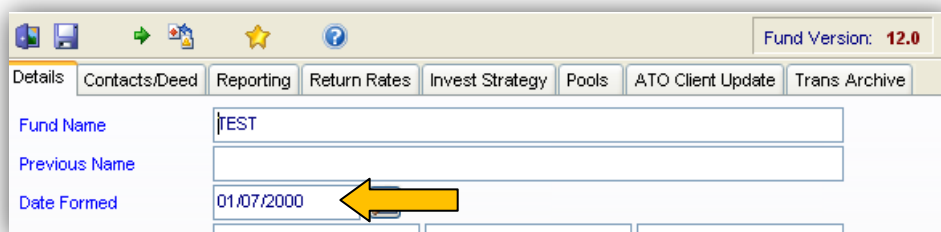
The XML File Upload process extracts assets up to a particular year end; for example, tax lots for holdings at 30/06/2008.

> ⚠ Transactions for the current year will need to be entered into V-Wrap using V-Wrap's alternative Upload Spreadsheet method.

In V-Wrap, ensure that the Simple Fund fund code is set up correctly in the portfolio.
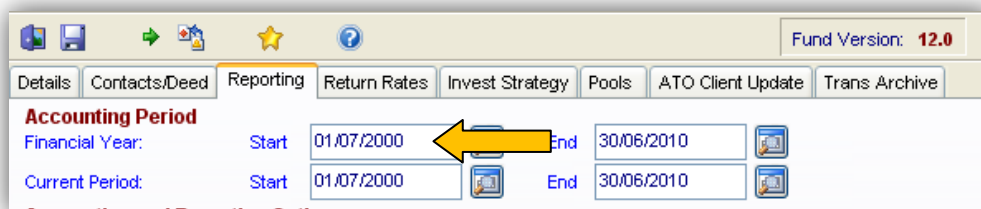
In Simple Fund, the date range selected for the export must cover the oldest outstanding tax lot. It is recommended you select the **Date formed** date in Fund Details as the start date for a fund.

1. In Simple Fund, from **Fund Selection**, select the fund to be uploaded into V-Wrap.

2. In the **Main** screen, click **Data Details**.

3. On the **Details** tab, note down the date in the **Date Formed** field, as shown below.

4. On the **Reporting** tab, type the date you noted in step 3 in the **Financial Year Start** field, as shown below.

5. Press **Tab** on your keyboard. This enters the same date into the **Current Period Start** field.

6. Click **Save** (💾).

7. In the **Main** screen, click **Data In/Out**.

8. Select the **Data Export** tab.

9. Select **All Transactions**, as shown below.

10. Select the file location to which you want to export the file.

11. Select **XML** from the **File Type** drop down box.

12. Type an identifiable **File Name**.

13. Click **Export Transactions**.

An Export Summary Report will be produced in Simple Fund with details of the dates for transactions which have been created in the file; in our example, from the **Date Formed** date of 01/07/2000 until 30/06/2008. The file is now saved in the directory location nominated.

Any other message on this report, such as the message shown on the example below, indicates that the file has not been created and you will need to adjust the details of the file that you have requested.

Uploading the Simple Fund file into V-Wrap

In V-Wrap:

1. Select the relevant portfolio in the main Portfolio List screen.

2. From **Maintenance**, click **Data Upload**.
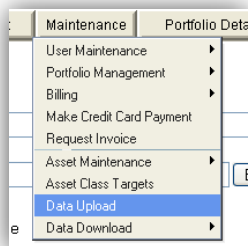
3. From the **Select Upload Type** drop down box, select **Trans BGL XML**.
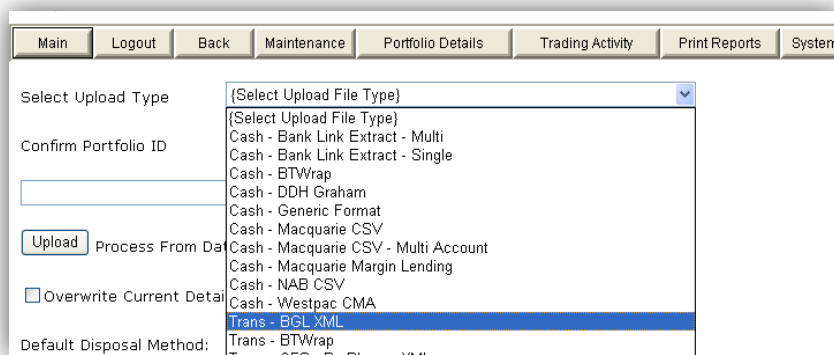
4. Click **Browse** to bring up the computer directory.

5. Locate the Simple Fund file created and double click to bring the file into the browse box.
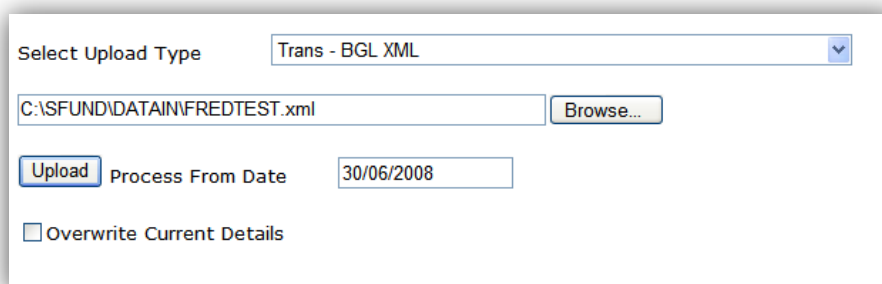
6. When the correct file name appears in the **Browse** box, enter the **Process from** date, being the year end date in the Simple Fund file created; for example, 30/06/2008.

7. Click **Upload**.

   The tax lots will update into V-Wrap and a system message displays any errors that occurred during the upload. Refer to "Uploading the Simple Fund file into V-Wrap errors' on page 32 for a description of these messages.

   Tax lots display in the **Transaction History** as shown below.

Transactions will display as **Adjustment** type, rather than the usual **Buy**. The **Tax date** displayed in the **Notes** column will be the effective tax date for CGT calculations.

8. Complete this process for each Simple Fund account that is to be uploaded into V-Wrap.

Holdings which do not have recognised ASX or APIR codes will not upload. They will need to be entered manually. Where there is no ASX or APIR code—for example, unlisted companies —a V-Wrap **Service Asset Code** will need to be created first, as described in the V-Wrap User Manual.

Error messages and data discrepancies that may occur during the upload process are discussed in the 'Troubleshooting' section on page 32.

Reconciling V-Wrap to Simple Fund

Once the file is uploaded into V-Wrap, you need to reconcile the portfolio against your Simple Fund records. The reconciliation should look at the quantities of securities held and the cost bases as recorded in V-Wrap and Simple Fund.

To perform the reconciliation:

1. Recalculate the portfolio to the same year end of the end date of the file upload; for example, 30/06/2008.

   This populates all the reports with the newly imported data.

   If the recalculation causes the portfolio to go into a Recalc Error state, refer to "Uploading the Simple Fund file into V-Wrap errors" on page 32 for more information.

2. Compare the **Portfolio Value by Security** screen in V-Wrap against the **Investment Summary Report** in Simple Fund. The Investment Summary report can be found under **Financial Reports** > **Investment Reports**.

3. If security balances do not match, you can compare the **Transaction History** screen in V-Wrap to the **General Ledger** or the **Detailed Schedule of Fund Assets** in Simple Fund, and edit the transactions in V-Wrap as appropriate.

4. If the portfolio has Tax Free and Tax Deferred amounts, these will be brought into V-Wrap and added to the Income Details screen as at the **Process From** date. You should reconcile these against your Simple Fund records. These amounts will be used to adjust your cost base on subsequent disposals. The following example shows a tax deferred amount on the Income screen.

Extracting the Reconciliation Information from Simple Fund

To extract the data from Simple Fund to do the reconciliation, the following Simple Fund reports are required:

- Investment Summary
- Detailed Schedule of Fund Assets, up to the required end date.

To run these reports in Simple Fund:

1. Select the fund and then click **Financial Reports**.
2. Select the **Investment Reports** tab.
3. Type a **1** in the box next to **Investment Summary Report** and **Detailed Schedule of Fund Assets**, or click for each separate report.
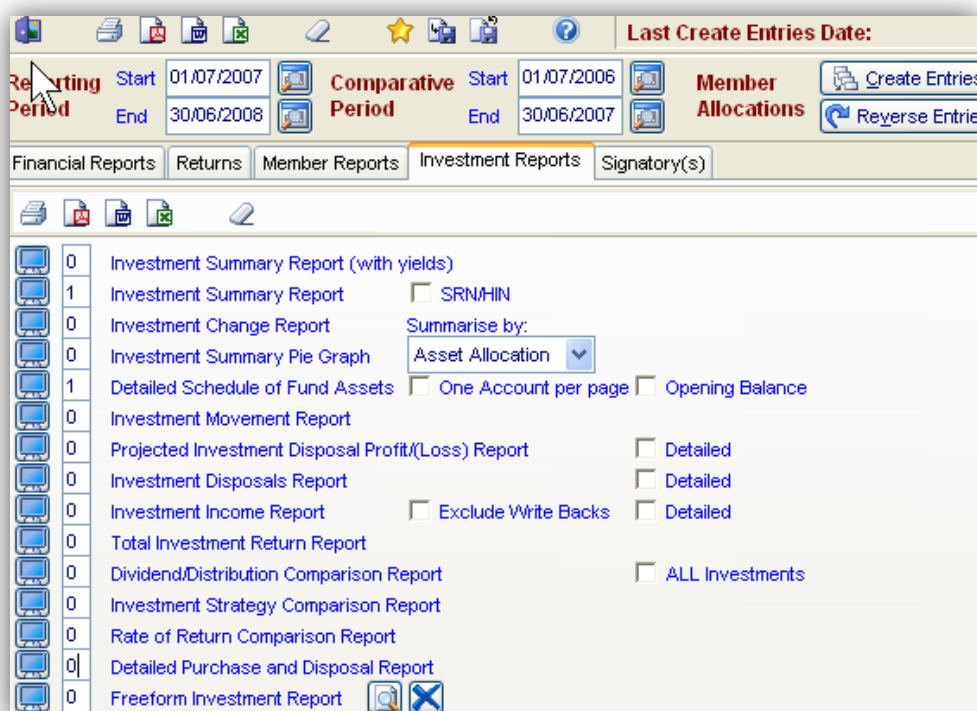
4. If a warning displays to say that the year end entries have not been created, click **Yes** to continue.

Checking and amending the end holding result

Check the end result in V-Wrap against Simple Fund's Investment Summary Report for the same date.

For example, the two reports as at 30/06/2008 are shown below:

V-Wrap Portfolio Valuation by Security Report

	Export to Excel	Print	As At 30/06/2008	Search	☐ Show GICS

Total Cost: $4,895,346.26   **Value:** $5,676,859.36   **Gain/(Loss):** $781,513.10   **Est. Inc**

<<< Previous   Next >>>

	Security Code	Value Date	Description	Quantity	Unit Cost	Adj. Cost
+	ADG		ADTRANS GROUP LTD	10,000	$1.6985	$16,984.80
+	AFI		AUSTRALIAN FOUNDATION INVESTMENT CO. LTD	8,282	$3.5434	$29,346.06
+	AGK		AGL ENERGY LIMITED	2,320	$7.215	$16,738.70
+	AIO		ASCIANO GROUP - STAPLED SECURITIES	10,063	$6.4642	$65,048.89
+	AIX		AUSTRALIAN INFRASTRUCTURE FUND	42,592	$2.4714	$105,260.49
+	AMC		AMCOR LTD	3,911	$8.0949	$31,659.15
+	AMP		AMP LTD	7,543	$7.954	$59,996.79
+	ANZ		ANZ BANKING GROUP LTD	8,546	$17.5148	$149,681.85
+	APA		APA GROUP	10,858	$2.883	$31,303.25
+	ARG		ARGO INVESTMENTS LTD	10,328	$7.7859	$80,413.04
+	ASX		ASX LIMITED	5,000	$38.0537	$190,268.58
+	AVG		AUTRALIAN VINTAGE LIMITED	7,500	$5.44	$40,800.00
+	AWC		ALUMINA LIMITED	4,000	$3.4138	$13,655.32
+	AXA		AXA ASIA PACIFIC HOLDINGS LTD	10,000	$5.0074	$50,073.90

Simple Fund Investment Summary Report.
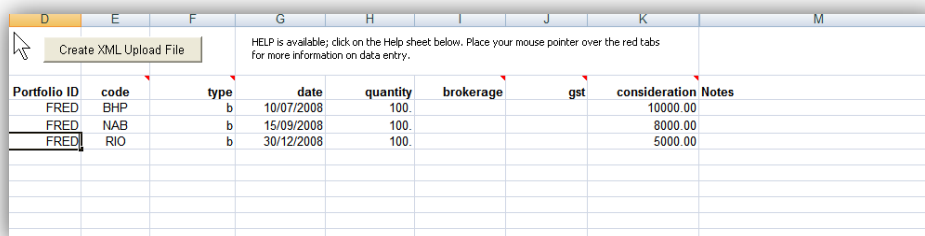
PORTFOLIO NAME
INVESTMENT SUMMARY REPORT AT 30 JUNE 2008

Investment	Units	Ave Cost	Mkt Price	Cost	Market
Shares in Listed Companies (Australian)					
AGL Energy Limited	2,320	7.22	14.30	16,739	33,176
AMP Limited	7,543	7.95	6.69	59,997	50,463
ANZ Bank	8,546	17.51	18.72	149,682	159,981
APA Group	10,858	2.88	2.61	31,303	28,339
ASX Limited	5,000	38.05	48.70	190,269	243,500
AXA Asia Pacific Holdings Limited	10,000	5.01	3.36	50,074	33,600
Adtrans Group	10,000	1.70	3.70	16,985	37,000
Alumina Ltd	4,000	3.41	4.74	13,655	18,960
Amcor Limited	3,911	8.09	5.05	31,659	19,751
Argo Investments Limited	10,328	7.79	4.82	80,413	49,781
Asciano Limited	10,063	6.46	3.47	65,049	34,919
Australian Foundation Investment	8,282	3.54	5.02	29,346	41,576
Australian Infrastructure Fund	42,592	2.47	2.08	105,260	88,591
Australian Vintage Limited	7,500	5.44	3.50	40,800	26,250

Upload ad hoc data for the current period into V-Wrap

All the current year transactions need to be recorded in V-Wrap even if they have already been recorded in Simple Fund. They can be uploaded into V-Wrap using a pre-formatted Excel Spreadsheet. This is explained in detail in the user manual, but a brief description is provided below.

1. Download a sample of the Transaction Upload Spreadsheet, as described in the V-Wrap User Manual, and populate it with only the purchases which equate to the holdings at the end date.

   For the current year transactions—that is, from 1/7/2008 to date in our example—all trading transactions, buys and sells, must be entered in order for V-Wrap to do the correct CGT calculation for the current year.
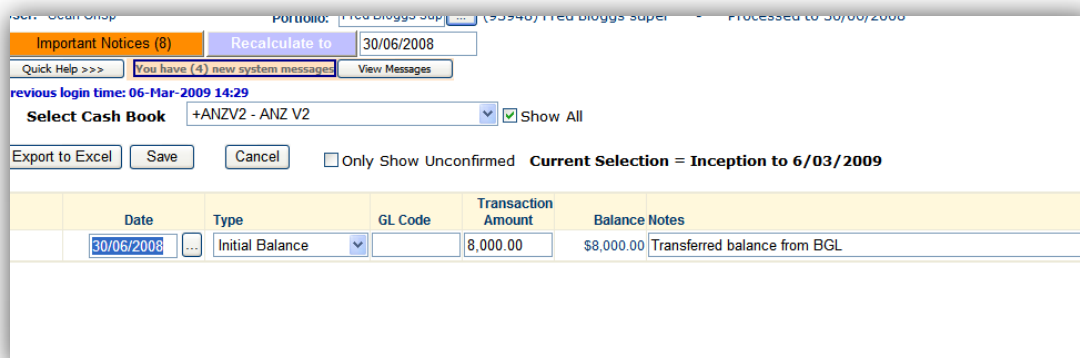
   Remember that V-Wrap overlays the corporate actions. You do not need to enter them on the spreadsheet. Once the spreadsheet is completed, create the XML file and load into V-Wrap, as described in the V-Wrap User Manual.

2. Recalculate the portfolio to the end date in the current year to bring the portfolio up to date.

Cash books

If bank account transactions are to be maintained in V-Wrap, the opening balances for the current financial year will need to be entered into the relevant cash books. For information on how to set up a cash book and create bank links refer to the V-Wrap User Manual.

Once the cash book is set up, enter the initial balance as the previous closing year date; for example, 30/06/2008 for financial year end 2008, as shown below.

Timing differences and other reconciliation items

There may be some timing differences and income and unsettled entries must be reviewed. Some journaling may be required to make sure they are offset correctly, depending on how they have been accounted for in the Simple Fund general ledger in the prior year.

Holdings which do not have recognised ASX or APIR codes will not upload. They will need to be entered in manually. Where there is not an ASX or APIR code, for unlisted companies for example, a V-Wrap **Service Asset Code** will need to be created first, as described in the V-Wrap User Manual.

Upload data from V-Wrap into Simple Fund

The data transfer process allows a client portfolio to be maintained in V-Wrap throughout the year.

The transaction history can be created with automatic trading uploads, corporate action overlays and CGT optimisation to manage the portfolio's investments.

Information is then downloaded back into Simple Fund at year end, or as required, to create the financial reports and update the member's investment information. This avoids duplicating data entry and replicates V-Wrap's parcel selection and CGT optimisation in Simple Fund.

Save the Simple Fund code in V-Wrap

Before entering any data into the V-Wrap portfolio, record the corresponding Simple Fund account code in V-Wrap. Apart from linking the portfolio to download into the Simple Fund account, this also opens up additional columns in certain screens to enable you to enter Simple Fund general ledger codes.

Refer to 'Setting up the link between Simple Fund and V-Wrap' on page 4, for information on how to save the BGL code in V-Wrap.

Setting up the download in V-Wrap

There are two formats for the data transfer process:

- with Contra G/L Accounts, and
- without Contra G/L Accounts.

With Contra G/L Accounts and cash books

If a cash book is being used in V-Wrap, the contra accounts format is used to facilitate reconciliation, by identifying unsettled entries for trading and income. This uses a selection of clearing accounts from the Simple Fund Master Chart of Accounts.

The default contra accounts, which you can overwrite, are as follows:

Contra accounts	Codes	Used for
Sundry Debtors	680	Unsettled Sell transactions
Sundry Creditors	880	Unsettled Buy transactions
Dividends Receivable	620/001	Unsettled dividends and distributions receivable

The download process takes a single entry investment listing in V-Wrap and converts it to a double entry system by creating the appropriate 'other side' in the XML File.

The table shows the Simple Fund general ledger allocation for the main trading activities in V-Wrap.

V-Wrap		Dr Simple Fund Account		Cr Simple Fund Account	
Activity	Screen	BGL A/C #	BGL A/C Name	BGL A/C #	BGL A/C Name
Stock Purchase	Trans History	776/xxx [1]	Investment code	880	Sundry Creditors

Stock Sell Gain Made on disposal	Trans History	680	Sundry Debtors - sell value	235/xxx 236/xxx 7xx/xxx	Investment code Taxable Gain Investment Code Non Taxable Gain Investment code – cost base
Stock Sell Loss made on disposal	Trans History	235/xxx 236/xxx 680	Investment code Taxable Gain Investment code Non Taxable Gain Sundry Debtors – sell value	7xx/xxx	Investment Code – cost base
Settle Purchase	Cash Book	880	Sundry Creditors	604[1]	Cash @ Bank
Settle Sell	Cash Book	604[2]	Cash @ Bank	680	Sundry Debtors
Div/Dist Payable	Income	620/001	Divs. Receivable	238/xxx or 239/xxx	Dividends or Distributions Received
Div/Dist Settled	Cash Book	604[2]	Cash @ Bank	620/001	Divs. Receivable
Expense Incurred	Expense Screen	375[3]	Investment Exps	998	Data Upload Clearing
Expense Settled	Cash Book	998	Data Upload Clearing	604[2]	Cash @ Bank

[1] Using Australian listed securities as the example asset class.

[2] Multiple Cash Books may be used—refer to "The V-Wrap cash book" on page 17.

[3] Note: The default code for all expenses is 375 Investment Expenses, and will need to be manually coded in the cash book where necessary.

Without Contra G/L Accounts

If the cash book is not being used in V-Wrap, then do not use the contra accounts for the download into Simple Fund. Contra accounts are designed to be used in conjunction with a cash book. Using contra accounts without a cash book results in transactions occurring in the 680, 880 and 620/001 accounts that have no corresponding balancing bank account entries.

By turning off contra account exports in V-Wrap, a single entry accounting method is employed, resulting in no unbalanced contra account transactions.

Investment codes for Buy and Sell transactions

The general ledger asset code for an investment is automatically assigned during the transfer process, by matching like ASX and APIR security codes which are stored in both V-Wrap and Simple Fund. Each code is assigned to a general ledger sub-code sequentially in Simple Fund.

During the upload process, if a general ledger sub code is already allocated to an ASX or APIR security code for that particular Simple Fund account—for example, the holding already exists in Simple Fund—then the same G/L sub code will be allocated to the trade. If the ASX or APIR security code has not been used in Simple Fund, then the next available general ledger sub code will be assigned.

For example:

In Simple Fund there are already the following holdings with their general ledger codes:

- ANZ   776/001
- CBA   776/002
- PRK   776/003.

In the V-Wrap download, there are buys in the current year for **CBA** and **ALL**.

The CBA buy will be allocated to 776/002 since there is already a **CBA** holding in Simple Fund allocated to that general ledger account.

The **ALL** will be allocated to the next available sub-code – 776/004.

In this way, current year transactions will be added into the same general ledger sub code for an investment which has already been traded in the Simple Fund account. This process of allocating sub-codes flows through to income and profit/loss on disposal transactions. Using this method, the disposal details are automatically allocated to the relevant general ledger codes and the standard practise of allocating disposals to a clearing account is no longer necessary.

! In Simple Fund, if the correct ASX and APIR security codes have not been used historically, then massaging the data after download to Simple Fund will need to be undertaken to journal like holdings to one general ledger account. For example, if for Telstra, the security code TELSTRA has been used in Simple Fund instead of TLS, then any current year trades in the download from V-Wrap will trigger a new sub code, since it cannot relate them to Telstra in Simple Fund.

Refer to 'G/L Security Code Override' on page 17 for more information.

Service Assets in V-Wrap

The same mapping process applies for service assets as with standard ASX and APIR security holdings for each individual portfolio.

The download process recognises the asset class assigned to the service asset and then searches for the security code to post the transaction. The table below shows where the asset class set up in V-Wrap is exported to in Simple Fund.

V-Wrap Asset Class	Default Simple Fund Asset G/L Code
Australian Shares	776
International Shares	777
Listed Property	782
Direct Property	772
Australian Fixed Interest	724
International Fixed Interest	725
Australian Options	760
Other	760

Loans (These are margin loans and must NOT be used in a super fund)

If the code is not allocated above, please refer to 'G/L Asset Class Override' on page 16, where you can customise the asset to the relevant G/L Code in the chart of accounts in Simple Fund.

To further enhance the ability to match up security codes within Simple Fund, the Service Asset screen in V-Wrap has an option to apply a BGL code.

The download process searches for the Asset Class and then V-Wrap service asset **BGL Code** in Simple Fund (for example CENTRO11). If it finds a match, it will apply the same general ledger code.

If there is no **BGL Code** set up in the Service Asset screen for a security it will search for the code set up within V-Wrap (for example +CENTRO11). For this to happen, the security code must be the same in both Simple Fund and V-Wrap, including the preceding + that V-Wrap uses for service assets. This is unlikely for the first download, so it applies the next available sub-code for the asset class type. Any existing holdings will need to be journalled in Simple Fund from the original G/L code to the new G/L code created in the download process, or the existing security code will need to be edited and the data re-uploaded. In future downloads, the matching process will be correct.

Configuring the V-Wrap to Simple Fund interface

Simple Fund users have the ability to override the default way data is transferred to BGL to accommodate inconsistencies in coding.

For stapled securities and various listed trusts, the GL Asset Code or the Security Code may differ in Simple Fund to the default option in V-Wrap. You can allocate a particular code that you wish the security to go to or a particular asset class code group.

To help maintain continuity with the way your data was previously processed, you can use the following override functions:

- G/L Asset Code Override
- G/L Security Code Override.

Both of these functions amend at the bulk level; that is, across all Simple Fund portfolios within the V-Wrap service, rather than on a discrete portfolio basis. The functions are available to V-Wrap System Administrators (level 12) only.

G/L Asset Code Override

The G/L Asset Code Override function allows you to change the default asset class in which V-Wrap classifies a security.

To set up a G/L Asset Code Override:

1. From **Maintenance** > **Data Download** > **BGL**, click **G/L Asset Code Override**.
2. Click **Add**.
3. Type the Security Code.
4. Select the **BGL G/L Asset Code** from the drop down list. This is the asset class in which Simple Fund classifies the security.
5. Type the date from which this override takes place.
6. Click **Save**.

This will change the asset class to which V-Wrap will send transactions for that security from the **From Date**.

> Please note that this will alter where the security is coded to in Simple Fund for all portfolios held within your service.

As an example, V-Wrap has the security STOPB set up as a Domestic Fixed Interest security which would default to the **724** in the Simple Fund Asset Code chart of accounts.

If you wish to change this to Australian Shares, you can use the GL Asset Code Override to direct the security to the **776** Asset code in Simple Fund.

G/L Security Code Override

The G/L Security Code override allows you to nominate a new security code for a security held in V-Wrap. This function can be used to manage stapled securities as described on page 42.

To set up a G/L Security Code Override:

1. From **Maintenance** > **Data Download** > **BGL**, click **G/L Security Code Override**.
2. Click **Add**.
3. In the **Security** field, type the security code as it is known in V-Wrap.
4. In the **Target Security** field, type the security as it is known in Simple Fund.
5. Type the date from which this override takes place.
6. Click **Save**.

> Please note that this will alter where the security goes for all portfolios held within your service.

When the GL Security Code override is used for stapled securities in V-Wrap, multiple transactions are created when you export to the asset account in Simple Fund. These transactions need to be linked in Simple Fund for CGT purposes.

The V-Wrap cash book

For investment type settlement activities, V-Wrap uses a series of default **transaction types** in the cash book to create the general ledger entries in Simple Fund. For accurate Simple Fund general ledger allocation, the cash book entries **must be coded correctly,** and **every** cash transaction should be either a default transaction type or

have a manual Simple Fund general ledger code.

Where cash transactions are uploaded from a file, such as the Macquarie CMT.csv file, all transactions will upload as transaction type **Deposit** or **Withdrawal**. In all cases, the transaction types must be redefined, as described in the table below.
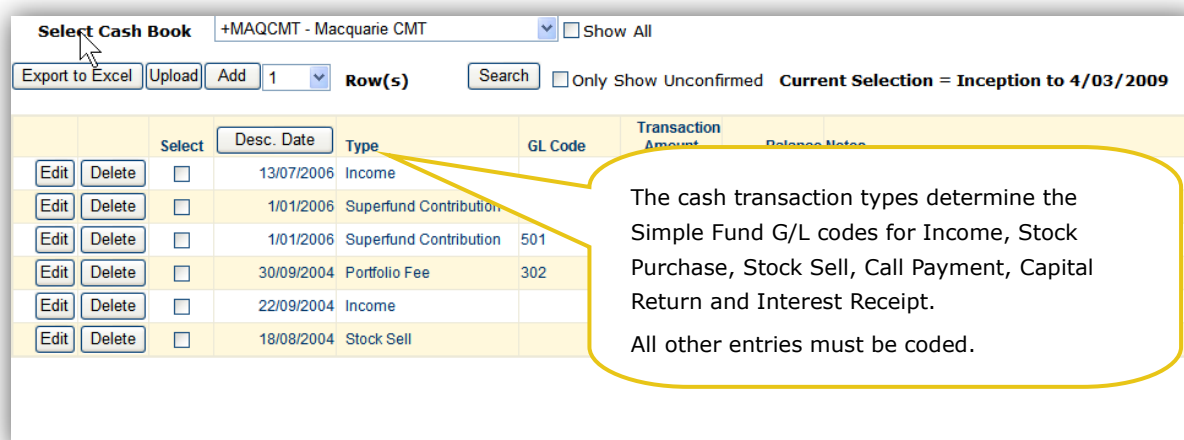
There are six investment type activities which use cash book default transaction types described in the table below. Where transactions are allocated to these transaction types in the cash book, V-Wrap automatically codes them to the nominated bank account (the default being 604) and the relevant 'other side' as follows:

Activity	Cash Book Transaction Type	Simple Fund G/L Code	
Settlement of a stock purchase	Stock Purchase	Dr 880 Sundry Creditors	Cr 604[1] Bank Account
Instalment payments/calls	Call payment	Dr 880 Sundry Creditors	Cr 604[1] Bank Account
Settlement of a stock sell	Stock Sell	Dr 604[1] Bank Account	Cr 680 Sundry Debtors
Capital Return	Capital Return	Dr 604[1] Bank Account	Cr 680 Sundry Debtors
All income on investments – dividends, distributions	Income	Dr 604[1] Bank Account	Cr 620/001 Dividends Receivable
Interest on Bank Account	Interest Receipt	Dr 604[1] Bank Account	Cr 250/001 interest received

[1] Or the appropriate cash book code if this is different or if there is more than one cash book.

Where the six investment transaction types are used, you cannot enter a Simple Fund general ledger code in the **GL Code** column. However, all other transaction types must be coded in this column, as shown below.

In order to achieve the correct double entry coding in Simple Fund, the transaction types should be used where applicable and NOT circumvented by using Simple Fund General Ledger codes.

The cash transaction types determine the Simple Fund G/L codes for Income, Stock Purchase, Stock Sell, Call Payment, Capital Return and Interest Receipt.

All other entries must be coded.

The allocation of these transaction types can be facilitated with V-Wrap's cash matching and multi edit processes as described in the V-Wrap User Manual.

If a transaction type is changed to an expense type transaction, then the default

Simple Fund code will be 375—Investment expenses. This will need to be manually overwritten in the **GL Code** column with the required Simple Fund expense code.

To do this, click **Edit** against the line and when the screen redisplays, enter the general ledger code. As an example, the **Portfolio Fee** transaction type can be allocated to Simple Fund general ledger code 302. This is entered in the **GL Code** column, as shown below.

> The **Notes** field can be utilised to collect information regarding an entry. This is especially useful for sundry expense items and contribution details.

Multiple Bank Accounts

A superfund may have more than one bank account. In these cases, the V-Wrap Cash Books, which represent the bank accounts, must be assigned to the correct general ledger code. To do this, complete the following steps:

1. From **Maintenance** > **Data Download** > **BGL**, click **BGL Simple Fund Export**.

2. In the screen that displays, click **Cashbook G/L Code Override**. The screen displays with the current cash books for the portfolio.

3. Click **Edit** and enter the appropriate G/L code for the cash books.

4. Click **Save** before leaving the screen.

> If a cash book general ledger code is left blank, the process will use the general ledger code entered in the main screen for the Simple Fund download. The relevant code for interest received on the bank account can also be entered here.

Preparing the download file in V-Wrap

The following procedure describes the process used to prepare the file in V-Wrap.

Selecting the file attributes:

1. Select the portfolio in the Portfolio List screen.

2. Click **Maintenance** > **Data Download** > **BGL** > **BGL Simple Fund Export**.

The BGL fund code will automatically appear if it has previously been saved.

3. If not, enter the Simple Fund code and click **Save Details**.

You will need to set up the process for either contra or no contra accounts.

The **With Contra Entries** box is automatically checked. However, if a cash book is not used in V-Wrap, and no contra entries are required, ensure the box **With Contra Entries** is not selected.

An alternative method for portfolios without cash books is to use the contra entry method and overwrite the three default codes 680, 880 and 620/001 to the cash at bank code in Simple Fund, usually 604. This will have the effect of putting a corresponding entry straight into the Simple Fund cash book for every trade and income transaction. These can be matched to entries on a bank statement.

! You should not use this process if you are already importing cash books into Simple Fund, as this will result in duplicate cash entries.

The default codes match to the master chart in Simple Fund, but can be overwritten if required. The codes are as follows:

*   **604 Cash Book**. Each V-Wrap cash book entry will populate this code and a corresponding Simple Fund general ledger code, being one of the default codes or, if overwritten in the cash book, the selected general ledger code. Refer to 'Multiple Bank Accounts' on page 19.

*   **250/001 Interest Received**. If the transaction type **Interest Receipt** is allocated in the V-Wrap cash book, the entry will automatically credit the Simple Fund code 250/001. Refer to 'Multiple Bank Accounts' on page 19.

*   **375 Investment Expenses**. If the transaction type in the V-Wrap cash book is any of the following, it will transfer to the default Simple Fund code 375, unless overwritten in the V-Wrap cash book with the required Simple Fund code.

    *   Expense
    *   Portfolio Fee
    *   Portfolio Fee – GST net of RITC
    *   Portfolio Fee – GST exempt
    *   Interest Expense
    *   Bank Charge/Fee

- Facility Fee
- Tax
- GST on fee
- Reverse expense.

- **840 GST Refundable.** If the portfolio is claiming the 75% GST RITC, and this is switched on in the V-Wrap portfolio profile, then the GST refundable amount on transactions will be allocated to the GST Refundable account in Simple Fund. All ATO refund amounts paid in respect of the RITC will be allocated to Simple Fund code 840 in the V-Wrap cash book to offset this.

The default codes are set to the following codes, and where the With Contra Entries box is checked, the 'other side' of the V-Wrap Cash Book entries will upload as follows, providing that the cash book transaction types have been allocated correctly:

- **680 Sundry Debtors** for proceeds of sells
- **880 Sundry Creditors** for settlement of buys
- **620/001 Divs Receivable** for receipt of income on investments
- **250/001 Bank Interest received**.

Ensure that the portfolio in V-Wrap has been recalculated to 30/06/xxxx for YTD downloads, and the required date for incremental downloads.

You are now ready to download.

Using the Simple Fund web interface to upload your V-Wrap data

Simple Fund users can automate the upload of transaction information from V-Wrap to Simple Fund via a web interface. This removes the need to log in to V-Wrap to manually download the transaction files to your computer, before manually uploading them into Simple Fund.

This section describes how to set up the fund in Simple Fund and the portfolio in V-Wrap to enable the automated upload of transactions using the web interface.

The web interface used to automate these uploads only works with Simple Fund version 11.2 or later. Earlier versions of Simple Fund will not be able to use this web interface.

Setting up Simple Fund

The first step in the process of automating transaction file uploads from V-Wrap to Simple Fund is to set up the Simple Fund.

To set up Simple Fund:

1. From the Simple Fund **Administration** > **Defaults** screen, click the **Tasks/Help** tab.
2. Type your V-Wrap:
   - **User Name**
   - **Password**
   - **Service ID**. Refer to 'Service ID numbers' on page 22.

   For example:

3. Click **Save**.
4. From **Fund Details**, click the **Details** tab.
5. Type the V-Wrap **Portfolio ID**.

6. Click **Save**.

   You need to repeat steps 5 and 6 for each fund.

Service ID numbers

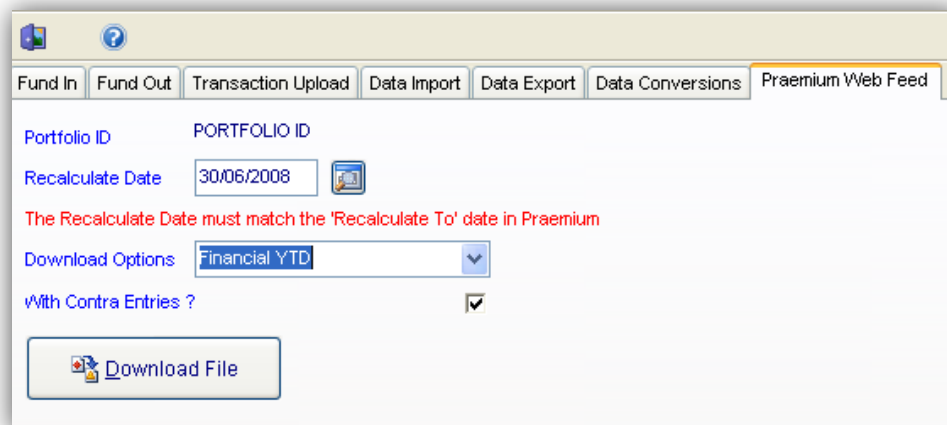To find your service ID number, in V-Wrap:

1. Click **Maintenance** > **User Maintenance** > **Change User Details**.
2. The service ID number is shown in brackets in the **Service** field.

   For example:

   Contact the Præmium help desk via mail@praemium.com.au or ring on
   (03) 8622 1222 if you need more information.

Uploading the transactions into Simple Fund

1. Select the fund for which you want to upload transactions from the **Fund Selection** screen.

2. In the **Fund Details** screen, ensure the fund has been rolled forward to the same reporting period as the V-Wrap portfolio you are uploading from.

   For example, the V-Wrap portfolio should be recalculated to the 30/6/08 for the 07/08 financial year period.

3. From the **Data In/Data Out** screen, click the **Præmium Web Feed** tab.

4. Select the appropriate **Download Option** and select if you want to include contra entries.

5. Click **Download File**.

   Simple Fund connects to V-Wrap and downloads the transactions as an XML file to a configured location on your computer. This location is configured in Simple Fund's **sfund.ini** configuration settings file.

6. From the **Transaction Upload** screen, click **Upload**.

   The XML file is validated by Simple Fund to ensure it is in the right format and displays in the Transaction Upload screen. For details on how to use this screen, click the help icon (   ).

7. Click **Save** (   ).

The transactions have now been uploaded and saved in Simple Fund.

Creating the file manually

The web interface is only available for Simple Fund Version 11.2 onwards. If you are using a prior version, a two-step process to create and upload the V-Wrap file is available.

Refer to 'Creating the file manually' on page 24.

Once all the account information has been set up correctly, go to **Maintenance** > **Data Download** > **BGL**, click **BGL Simple Fund Export**.

For this method you will need to define the date range for the file.

From the drop down box, select the option to suit the data transfer requirements. For example:


Financial year to date with initialise. This will be for a V-Wrap portfolio that has prior year transactions but is a new account in Simple Fund. It will create the general ledger balances for the historical trading activity as at the last financial year (for the relevant asset accounts only), and transfer across all current year transactions.

Financial YTD. This will be for an account which is already active in Simple Fund and has been updated to the end of the last financial year. The download will contain current financial year transactions only.

Incremental since last report. This will be for an account where a transfer of data
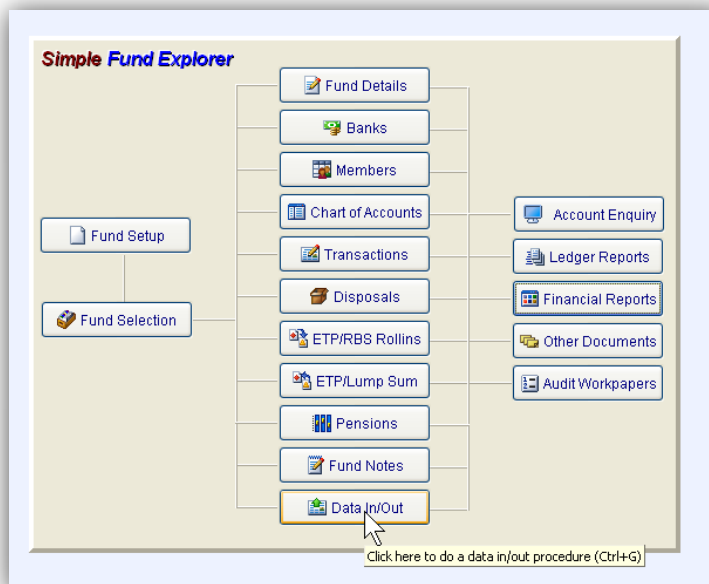
has already taken place for the current financial year. It will update transactions since the last download.

Click **Export to BGL**. Save the file and note the path, directory and file name for subsequent retrieval.
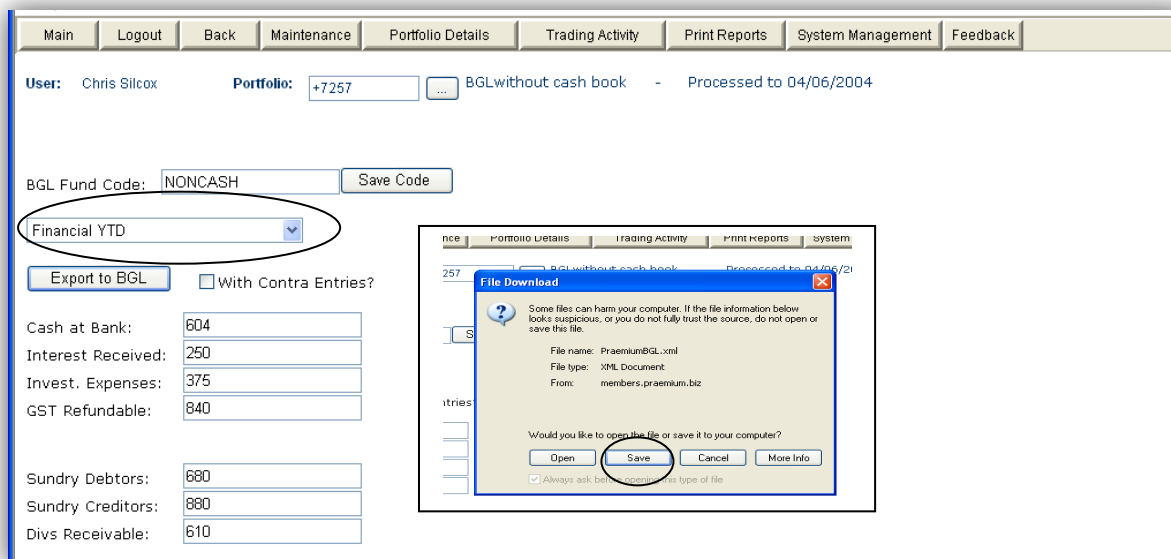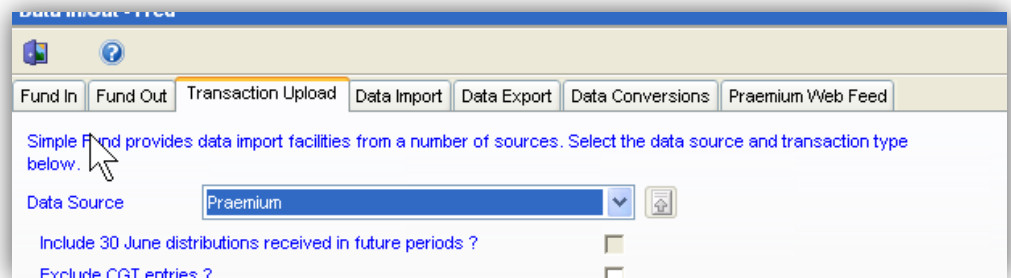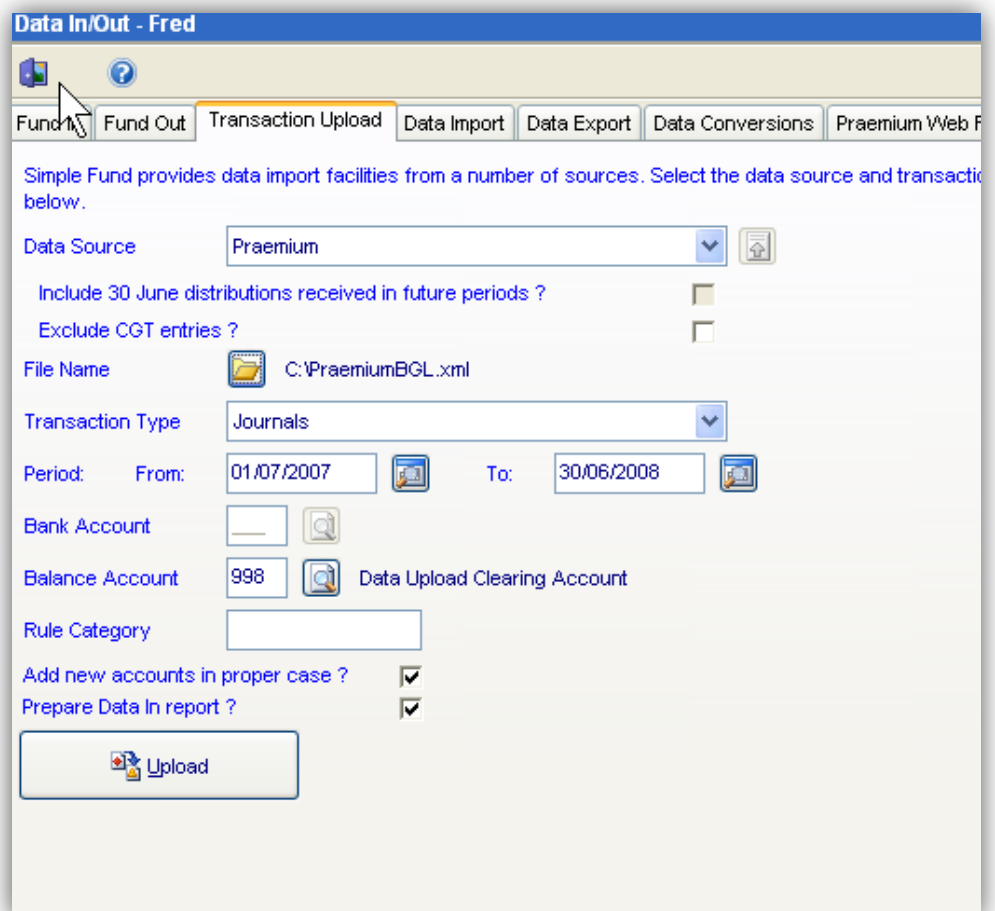

Upload into Simple Fund

1. Log into Simple Fund and select the corresponding fund and in the main screen.

2. Click **Data In/Out**.

3. Click the **Transaction Upload** tab.

4. Select **Præmium** as the data source and then click the yellow folder **File Name** icon to display your computer directory.

5. Find and double click the file downloaded from V-Wrap to bring the file across. The **Transaction Type** is not relevant to the process and any type can be selected.

6. Click **Upload**.

   The file will now be validated in which the transaction upload validation screen will display. This will allow you to review all transactions before uploading into the Simple Fund transaction screen.

The transactions highlighted with a ❌, displayed in column to the left, will not be uploaded due to an error. The reason is displayed in the **Error Description** column. In order for these transactions to be uploaded they will have to be edited and have the error corrected on this screen.

7. Revalidate the transactions by clicking on [↩] on the toolbar.

8. If the transaction is valid ,the error description will change to **Valid Transaction** and the ❌ on the left of the transaction will change to ✔.

    If any transactions are edited on this screen it is highly recommended that you validate the changes prior to upload. If you do not want to upload a transaction marked with a ❌ no action needs to be taken.

9. Select [💾] on the toolbar to upload the transactions.

    Only transactions marked with ✔ will be uploaded to the ledger.

    Alternatively select [↪] to exit out of the screen and upload no transactions.

    A one off audit report, an example of which is shown below, will display to show which transactions have been updated. This can be saved as a PDF or printed and cannot be produced without uploading again.

The transactions can now be reviewed in the Simple Fund transaction screen and reports. A Trial Balance report for the relevant year end date can be created and used to reconcile to the various reports for the same date in V-Wrap.

Some recommended reports for comparison are:

- Portfolio Valuation by Security – for holdings and cost bases;
- Income Taxable – for individual/total dividends and distributions; and
- Realised CGT.

[!] The file codes all the entries as directed, and then adds all the debit entries and all the credit entries. Any imbalance between the debits and credits is posted to the Upload Clearing Account – 998.

Funds with Segregated Assets

This section relates information about procedures which may assist with managing Segregated Asset Funds.

Multiple Members/Segregated Assets

Where there are multiple members and the assets of the fund are segregated at member level then the individual assets need to be managed in separate portfolios in V-Wrap for correct tax calculations at member level.

By recording the common Simple Fund fund code in each V Wrap member portfolio and

recording the appropriate Simple Fund member code in the V-Wrap portfolio, the individual member transaction details and tax calculations details can be merged into the same Simple Fund during the upload process. You can have a maximum of only four members to a fund.

To set up in V-Wrap, from **Maintenance** > **Data Download** > **BGL**, click **BGL Simple Fund Export**.

Once you have entered the **BGL Fund Code** into the box, insert the member number and the 3 digit Simple Fund member code. Save the details.

In the following example, the Simple Fund Fund Code is BLOGGS. Fred is Simple Fund member code 501 and Martha is Simple Fund member code 502. So, in Fred's V Wrap portfolio, the member number 1 is used and in Martha's V-Wrap portfolio, the member number 2 is used—that is, the V-Wrap member number matches to the Simple Fund member code's last digit.

You enter Martha's portfolio member details as:

These assets are held in two separate portfolios in V-Wrap; one for each member and when they are uploaded, the individual member information will be merged to the one fund in Simple Fund (but still retained at member level).

Other transaction types

Capital Returns

Capital returns are processed in a similar way to Sell transactions, however as there are no CGT ramifications, the reduction in capital is done at the end of the year rather than on the day the transaction occurs.

An example using AMP is shown below:

The entries in V-Wrap shown above are exported to Simple Fund as shown below:

	Date ▲	Ref	Code	Type	Units	Debits	Credits	Bank	Narration
☐	21/05/2007	210507	680	J		400.00			RETURN OF CAPITAL 40 CENTS.
☐	18/06/2007	180607	604	J		400.00			* AMP - CAPITAL RETURN
☐	18/06/2007	180607	680	J			400.00		* AMP - CAPITAL RETURN
☐	30/06/2007*	300607	776/127	J			400.00		AMP INSTALMENT PAYMENT

Please note that if you configure Simple Fund to balance each day, this transaction type will cause a 998 balancing item.

Call Payments

When partly-paid shares are required to make a call or instalment, V-Wrap matches cash on the last day of the security being listed. The following example shows a Telstra instalment payment. The conversion from TLSCA to TLS in V-Wrap's transaction history appears as follows:

In the cash book, the withdrawal matches as shown below:

If the cash hasn't matched off in the cash book, you will need to manually change the transaction from **Withdrawal** to **Call Payment**.

When this is moved across to Simple Fund, the following entries are recorded:

	Date ▲	Ref	Code	Type	Units	Debits	Credits	Bank	Narration
☐	01/07/2007	010707	880	J			3,110.00		B 1,000 TLSCA
☐	01/07/2007	010707	776/121	J	1,000.0000	4,710.00			TLS PURCHASE
☐	16/05/2008*	160508	776/154	J		3,110.00			TLSCA DISPOSAL - ORIGINAL COST BASE
☐	16/05/2008	160508	776/154	J	-1,000.0000		3,110.00		TLSCA DISPOSAL - TAX DATE 16/05/2008
☐	29/05/2008	290508	604	J			1,600.00		TLSCA - CALL PAYMENT.,

The purchase of TLS (via call/instalment) is offset by an 880 and a 604 entry. This is

because here is no line in the Transaction History screen showing the new funds ($1,600) as allocated to the old or new security code.

Please note that if you configure Simple Fund to balance each day, this transaction type will end up causing a 998 balancing item.

Term Deposits

The following example shows what happens when a client has a term deposit in V-Wrap that needs to go across to Simple Fund.

This example uses a $10,000 term deposit that matures in three months and is then reinvested in a new three month term deposit.

The transactions in V-Wrap's Transaction History screen are as follows:

	Delete	Select	Type	Security	Description	Date	Quantity	Cost Per Unit	Total Amount	Brokerage	GST	Set. Date	Maturity Date	Yield M
Edit	Delete	☐	Buy	+TERMDEP	? Term Deposit test	1/02/2009	10,000	$1.00	$10,000.00	$0	$0	1/02/2009	1/05/2009	6.00%
Edit	Delete	☐	Buy		?	1/05/2009	10,000	$1.00	$10,000.00	$0	$0	1/05/2009	1/08/2009	6.50%
Edit	Delete	☐	Sell		?	1/05/2009	10,000	$1.0146	$10,146.30	$0	$0	1/05/2009		

The Income screen has the following interest amount recorded:

Select	Security	Description	Date	Tax Date	Ex Date	Total Quantity Onhand	Amount to be Received	Total Interest Amount
☐	+TERMDEP	Term Deposit test	1/05/2009	01/05/2009	01/05/2009	0	$146.30	$146.30

The cash book has following transactions in relation to the term deposits:

		Select	Desc. Date	Type	GL Code	Transaction Amount	Balance	Notes
Edit	Delete	☐	1/05/2009	Stock Sell		$146.30	($9,853.70)	* Net settlement +TERMDEP - Sell, +TERMDEP - Buy
Edit	Delete	☐	1/02/2009	Stock Purchase		($10,000.00)	($10,000.00)	* +TERMDEP - Buy

When these V-Wrap entries are exported to Simple Fund, the following transactions are uploaded.

	Date ▲	Ref	Code	Type	Units	Debits	Credits	Bank	Narration
▶ ☐	01/02/2009	010209	604	J			10,000.00		* +TERMDEP - BUY
☐	01/02/2009	010209	724/010	J	10,000.0000	10,000.00			+TERMDEP PURCHASE
☐	01/02/2009	010209	880	J		10,000.00			* +TERMDEP - BUY
☐	01/02/2009	010209	880	J			10,000.00		B 10,000 +TERMDEP
☐	01/05/2009	010509	880	J			10,000.00		B 10,000 +TERMDEP
☐	01/05/2009	010509	680	J		10,146.30			S 10,000 +TERMDEP - MATURITY OF TERM
☐	01/05/2009	010509	604	J		146.30			* NET SETTLEMENT +TERMDEP - SELL, +TERMDEP
☐	01/05/2009	010509	680	J			146.30		* NET SETTLEMENT +TERMDEP - SELL, +TERMDEP
☐	01/05/2009	010509	724/010	J	-10,000.0000		10,000.00		+TERMDEP DISPOSAL - TAX DATE 01/02/2009
☐	01/05/2009	010509	724/010	J	10,000.0000	10,000.00			+TERMDEP PURCHASE
☐	01/05/2009	010509	250/012	J			146.30		+TERMDEP DIVIDEND/DISTRIBUTION

As shown above, the 680 and 880 accounts do not contra out. This is because the income transaction on the 01/05/2009 is processed as a stock sell in the cash book. There are two ways that the 680 and 880 accounts can be balanced out. The first way is to remove all the entries in the 680 and 880 accounts that apply to this transaction, thus removing $10,146.30 from both sides of the ledger. The second way is to journal the term deposit purchase amount (that is, $10,000) between the 680 and 880 accounts.

If the cash is reinvested back into a new term deposit, journal the 680 and 880 general ledger accounts for the principal amount a few days later. This will resolve the imbalance between the two accounts.

MER rebates used to purchase extra shares

Financial planners can provide rebates to clients from a managed fund's MER which can be used to purchase additional shares. Unless you are receiving a feed from a third party provider, these entries need to be manually entered into the Transaction History screen in V-Wrap as shown in the example below.

Delete		Select	Type	Security	Description	Date	Quantity	Cost Per Unit	Total Amount	Brokerage	GST	Set. Date	Method	Notes
Edit	Delete	☐	Buy	LEF0033AU	? Optimix - Australian Fixed Interest	17/10/2006	46,329.039	$0.9694	$44,911.37	$0	$0	17/10/2006		
Edit	Delete	☐	Buy		?	7/11/2006	21.0895	$0.9711	$20.48	$0	$0	7/11/2006		MER REBATE
Edit	Delete	☐	Buy		?	16/11/2006	21.2866	$0.9762	$20.78	$0	$0	16/11/2006		MER REBATE
Edit	Delete	☐	Buy		?	1/12/2006	21.1097	$0.9768	$20.62	$0	$0	1/12/2006		MER REBATE
Edit	Delete	☐	Buy		?	16/12/2006	23.1481	$0.9733	$22.53	$0	$0	16/12/2006		MER REBATE

Since a rebate on a MER does not result in a cash transaction in V-Wrap, there is no contra entry produced when exported to Simple Fund. This leaves unmatched entries in the 880 general ledger account. BGL recommend the Investment Expenses account (375) as a contra entry for investment rebates.

The most efficient way to process this is to manually journal entries in the 880 account once in Simple Fund. While it is possible to change all the 880 entries to have 375 as their general ledger account, the easiest way is to do one large entry at the end of the financial year from 880 to 375.

By adding something in the **Notes** field (such as, MER Rebate) when recording purchases from a rebate within V-Wrap, you can export to Excel at the end of the financial year. You can then sort all the transactions that were the result of an MER rebate and sum them to give you the amount required to be journalled in Simple Fund.

Troubleshooting

Uploading the Simple Fund file into V-Wrap errors

The Simple Fund Fund code is not linked error message

You will receive the following error when uploading a Simple Fund file into V-Wrap if you have not set up the link between Simple Fund and V-Wrap by nominating the Simple Fund fund code.
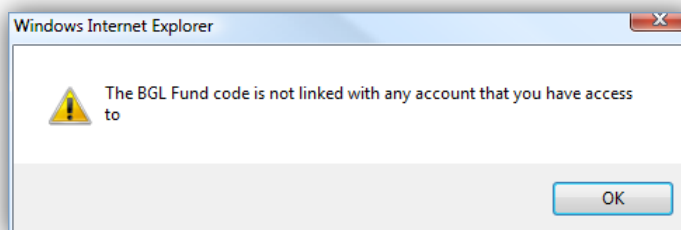
Refer to "Setting up the link between Simple Fund and V-Wrap" on page 4.

Normal processing messages

When you upload a Simple Fund file into V-Wrap, the following system messages display.

The messages shown in the example above are normal processing messages and not errors.

Missing valid transaction errors

Any upload errors that occur will display in the lines above the Zero Quantity line as shown below.

This usually means that transactions are missing in V-Wrap for the specified securities. Generally, these errors occur for service assets that don't exist in V-Wrap, or for managed funds that have incorrect security codes in Simple Fund.

If the "Security Code XXX is invalid" message appears **below** the Zero Quantity message, then the security has been sold prior to the completed financial year end date in Simple Fund and no action is required.

Recalc errors on initial reconciliation recalculation

After an initial upload is made from Simple Fund into V-Wrap, you need to reconcile the two lots of data. To do this, you must recalculate the V-Wrap portfolio to same year end date as the end date on the file upload.

If there is a security with a cost base but no units, this results in the portfolio going into a Recalc Error state. This usually happens when a code change has occurred for a security. When moving the units across to the new code within Simple Fund, a CGT date transaction is created to maintain the original CGT date for the units and a second transaction is required to transfer the cost base, an example of which is below.

Edit a transaction to create a single transaction with both Quantity and Total Amount and delete the additional transaction. For example:

You need to do this for each split transaction before you can recalculate the portfolio.

Return of capital errors

In the following example, a series of AMP transactions were uploaded from Simple Fund into V-Wrap. The transaction for $601.60 with zero quantity represents a capital return of 40 cents per share for the total of 1,504 shares, which is the sum of the four transactions above (that is 1,504 x 0.40 = $601.60)

	Delete	Select	Type	Security		Date	Quantity	Cost Per Unit	Total Amount	Cost Base Unknown?	Brokerage	GST	Set. Date	Method Notes
Edit	Delete	☐	Adjustment AMP		?	30/06/2008	1,418	$5.5696	$7,897.68	False	$0	$0	30/06/2008	Tax date 24/09/2004
Edit	Delete	☐	Adjustment AMP		?	30/06/2008	28	$6.69	$187.32	False	$0	$0	30/06/2008	Tax date 26/04/2005
Edit	Delete	☐	Adjustment AMP		?	30/06/2008	28	$6.83	$191.24	False	$0	$0	30/06/2008	Tax date 25/10/2005
Edit	Delete	☐	Adjustment AMP		?	30/06/2008	30	$8.444	$253.32	False	$0	$0	30/06/2008	Tax date 26/04/2006
Edit	Delete	☐	Adjustment AMP		?	30/06/2008	0		$601.60	False	$0	$0	30/06/2008	Tax date 24/09/2004

When the portfolio is recalculated, this transaction will cause the portfolio to go into a Recalc Error state.

To correct this error, you need to reduce the Total Amount of each individual transaction by the capital return amount and then delete the zero quantity transaction.

	Delete	Select	Type	Security		Date	Quantity	Cost Per Unit	Total Amount	Cost Base Unknown?	Brokerage	GST	Set. Date	Method Notes
Edit	Delete	☐	Adjustment AMP		?	30/06/2008	1,418	$5.1696	$7,330.48	False	$0	$0	30/06/2008	Tax date 24/09/2004
Edit	Delete	☐	Adjustment AMP		?	30/06/2008	28	$6.29	$176.12	False	$0	$0	30/06/2008	Tax date 26/04/2005
Edit	Delete	☐	Adjustment AMP		?	30/06/2008	28	$6.43	$180.04	False	$0	$0	30/06/2008	Tax date 25/10/2005
Edit	Delete	☐	Adjustment AMP		?	30/06/2008	30	$8.044	$241.32	False	$0	$0	30/06/2008	Tax date 26/04/2006

Why do I have a balance in my 998 account?

The file codes all the entries as directed, and then adds all the debit entries and all the credit entries. Any imbalance between the debits and credits is posted to the 998 Upload Clearing Account as a single entry.

If there is a balance in the 998 Download Clearing Account, this will need to be analysed and reallocated to the correct general ledger account. There are some situations where this is inevitable, and these are listed below. Other situations, where coding practices in V-Wrap are incorrect, are occasionally because a new corporate action does not translate correctly.

Why is the cash book entry going to the 998 Account?

For investment type settlement activities, V-Wrap uses a series of default transaction types in the cash book to create the general ledger entries in Simple Fund. Other cash transactions will need to be manually coded with the relevant Simple Fund General Ledger Code.

For cash book entries which do not have either a default transaction type or Simple Fund GL Code, the entry will be coded to the 998 clearing account as an individual item to be later journalled out.

However for accurate Simple Fund general ledger allocation, the cash book entries should be **coded correctly** where there is not a default V-Wrap Cash Book transaction type.

The list of cash book transaction types with no default GL codes are:

- Buy Option
- Close Short
- Deposit
- Forex Deposit
- Forex Withdrawal
- Initial Balance
- Insurance Premium
- Negative Income
- Non-Portfolio Expense
- Opt Assignment
- Pension Payment
- Personal Expenses Rebate
- Reverse CR
- Reverse DR
- Rollover Deposit
- Short Sell
- Sundry Deposit
- Sundry Withdrawal
- Superfund Contribution
- Superfund Withdrawal
- Tax Refund
- TFN Withholding Tax
- Write Option.

Timing Issues and Dividend Reinvestment Plans (DRP)

Where the holder is reinvesting units and these are updated into V-Wrap by activating the DRP process, the journals are:

- CR: the appropriate income account; and
- DR: the asset account with the new units (with no contra entries).

For year-end distributions, the date for the income will be in the current financial year (ex date), but the allocation of the new units may be in the next financial year (payable date). The income may need to be credited to the Profit and Loss account depending on the security type. Since as at 30/06/xxxx the buy has not occurred, it will not be in the download file and causing an imbalance, this is now offset by an entry in the 998 account. It is recommended that a journal for these amounts be raised in Simple Fund, to adjust the value back to the dividends receivable account or back to the income account if it is to be accounted for in the next financial year.

Conversely, at the start of the financial year, the buy transactions will be processed in the file for that year, but the income entries for the distributions will have been processed in the prior year, a transaction will flow through to the 998 account as a contra entry. Please note that this will only happen for transactions with the notation "DRP Allocation" within July and August.

If the prior year, outstanding income has been journalled to the dividend receivable account, the subsequent buys can be offset against this account.

Other DRP Issues

Throughout the year, DRP entries will be adjusted. By default V-Wrap will use the income value as the cost base for the new units. It is important if one entry is edited (income or DRP), that the corresponding entry is also changed. If the entry is unconfirmed, then both entries will change if one entry is edited. Any variance in these values will flow into the 998 clearing account.
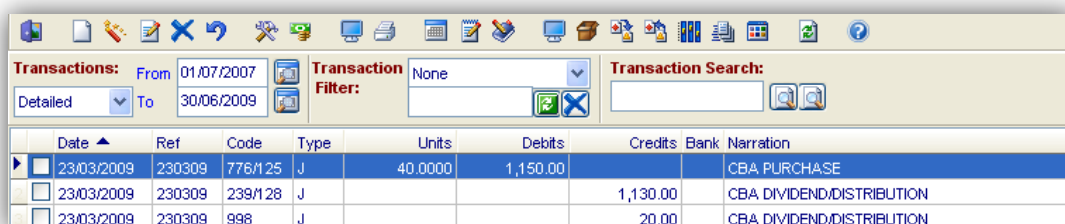
For example:

Div value	100
New DRP Unit Cost Base	120

In Simple Fund:

Div entry	CR	238/xxx	100
Purchase entry	DR	7xx/xxx	120

The difference of $20 will be part of the total DR and CR imbalance.

If the DRP process is NOT used, and the DRP purchases are entered as 'buys' in V-Wrap, then these transactions will be treated as any other buy. Likewise the income will be treated the same as a cash distribution.

Div Value	220
New DRP Cost Base	220

In Simple Fund:

Div Entry	CR 238/xxx	220	
	DR 620/001	220	
New DRP units	DR	7xx/xxx	
	CR	880 Sundry Creditors	

In these cases, it will be necessary to journal between Sundry Creditors and Dividends Receivable.

Service Assets

If a service asset for an existing asset in V-Wrap is downloaded into a new Simple Fund sub account, then the asset can be journalled from the existing code to the new one, since this is the code it will download into for future years.

DRP's for Service Assets (using contra accounts)

DRPs processed in V-Wrap have income and buy transactions which normally create contra entries in the Simple Fund export. For the buy transaction, the contra entry is 880, and for the income transaction, the contra is 620/001.

With a standard export, this results in both contra accounts having an unmatched transaction which must be deleted or a journal created for the contra items.

To avoid this, when a DRP transaction occurs in V-Wrap, the contra accounts are not created during the Simple Fund export process. This leaves only a buy transaction and an income transaction. If the total amounts of these don't match, due to a residual balance adjustment, a third transaction is exported from V-Wrap to Simple Fund to balance the account.

If you manually add the transaction to the Transaction History screen, the 880 transaction is being generated in the export which will cause a 998 balancing item to appear.

To export a DRP for a Service Asset correctly to Simple Fund, you should create a dividend entry in V-Wrap using the Dividends/Distributions screen and then add the security as a DRP asset. Refer to **Cash, Income and Expenses** > **Income** >**Income information for service assets** in the V-Wrap Online Help for more information.

Multiple balance items

In Simple Fund, you can have a balancing item created for any day that does not balance from the V-Wrap upload, posted on that day. This helps you to identify which days are not in balance, however there is a drawback.

When exporting from V-Wrap, not every transaction type is designed to balance on the day. For example, demergers, where the cost base of a security is reduced on one day and the new security is included in your portfolio on a subsequent day. This results in balancing items on both of those days as there are no matching contra entries on the day of the transactions. Other corporate actions, such as some code changes and takeovers, also result in this problem.

When selecting this option, please be aware of this issue so that you can manage your upload. Normally, this involves deleting the two 998 entries as described above.

Dividends/distributions and capital returns paid at the same time

Occasionally companies do a return of capital at the same time as they pay their dividends/distributions. When this occurs, a 998 balancing item is produced as the expected contra entries are not generated for each part of the transaction.

For example, the Transaction History screen in V-Wrap shows the Return of Capital transaction:

	Delete	Select	Type	Security	Description	Date	Quantity	Cost Per Unit	Total Amount	Brokerage	GST	Set. Date	Method Notes	
Edit	Delete	☐	Buy	SKI	? SPARK INFRASTRUCTURE GROUP	30/06/2008	1,000	$1.56	$1,560.00	$0	$0	3/07/2008		
Edit	Delete	☐	Return of Capital Return		?	28/08/2008	1,000	($0.0248)	($24.80)	$0	$0	15/09/2008	Distribution in the form of a Capital Return at $0.0248 per unit.	

The Income screen shows the dividend/distribution amount received:

		Select	Security	Description	Date	Tax Date	Ex Date	Total Quantity Onhand	Amount to be Received
Edit	Delete	☐	SKI	SPARK INFRASTRUCTURE GROUP	15/09/2008	15/09/2008	28/08/2008	1,000	$67.70

The Cash Book screen includes the sum of the dividend and return of capital as a **Deposit** transaction type, so it does not match with the transactions shown above under cash matching. This cash book transaction should be changed to an **Income** transaction type as shown below:

		Select	Desc. Date	Type	GL Code	Transaction Amount	Balance	Notes
Edit	Delete	☐	15/09/2008	Income		$92.50	$92.50	Spark Infrastructure Dividend and Capital Return

These transactions result in the following entries being uploaded into Simple Fund:

	Date ▲	Ref	Code	Type	Units	Debits	Credits	Bank	Narration
☐	28/08/2008	280808	998	J			24.80		DISTRIBUTION IN THE FORM OF A CAPITAL
☐	28/08/2008	280808	680	J		24.80			DISTRIBUTION IN THE FORM OF A CAPITAL RETURN AT $0.0248 PER UNIT.
☐	15/09/2008	150908	604	J		92.50			SPARK INFRASTRUCTURE DIVIDEND AND
☐	15/09/2008	150908	239/118	J			67.70		SKI DIVIDEND/DISTRIBUTION
☐	15/09/2008	150908	620/001	J		67.70			SKI DIVIDEND/DISTRIBUTION
☐	15/09/2008	150908	620/001	J			92.50		SPARK INFRASTRUCTURE DIVIDEND AND
☐	30/06/2009*	300609	776/115	J			24.80		SKI INSTALMENT PAYMENT
▶ ☐	30/06/2009	090630	998	J		24.80			Balance from Praemium posting at 30/06/2009

In this example:

- the return of capital entry (776/115) and the 680 entry are both offset by 998 entries, one of which is a Balancing item

- the 680 transaction does not balance off against another 680 contra entry, as the capital return component ($24.80) was sent to the income account. This results in a mismatch of entries in the 620/001 account.

To correct this, the 998, 680 and 620/001 transactions should be selected, as shown below, and deleted out of the system

This will leave the account in balance with only the relevant transactions remaining:

Transactions in the 880 or 680 accounts do not balance

Occasionally, your 880 (Sundry Creditors) and 680 (Sundry Debtors) accounts in Simple Fund may not balance to zero. This may be because when more than one transaction settles on the same day, V-Wrap aggregates and matches the transactions depending on how the entry was made into the cash book.

If the cash transaction is a deposit then a Stock Purchase type is allocated to it, and if the transaction is a withdrawal then a Stock Sell is allocated.

For example, the following transactions settled on the 13/8/2008.

Delete		Select	Type	Security	Description	Asc. Date	Quantity	Cost Per Unit	Total Amount	Brokerage	GST	Set. Date
Edit	Delete	☐	Buy	CBA	? COMMONWEALTH BANK OF AUSTRALIA	10/08/2008	1,000	$43.42	$43,420.00	$0	$0	13/08/2008
Edit	Delete	☐	Buy	CSL	? CSL LTD	10/08/2008	1,000	$36.32	$36,320.00	$0	$0	13/08/2008
Edit	Delete	☐	Buy	NAB	? NATIONAL AUSTRALIA BANK LTD	10/08/2008	1,000	$25.15	$25,150.00	$0	$0	13/08/2008
Edit	Delete	☐	Sell	WOW	? WOOLWORTHS LIMITED	10/08/2008	1,000	$26.50	$26,500.00	$0	$0	13/08/2008

In the V-Wrap cash book, the net cash received or paid is entered as one cash book transaction; that is, the sum of all four transactions. In this example, it is a Stock Purchase transaction because the net transaction amount is a cash withdrawal.

		Select	Desc. Date	Type	GL Code	Transaction Amount	Balance	Notes
Edit	Delete	☐	13/08/2008	Stock Purchase		($78,390.00)	($379,390.00)	* Net settlement CBA - Buy, CSL - Buy, NAB - Buy, WOW - Sell

In Simple Fund, the following entry in the 680 (Sundry Debtors) account is created for the Sell transaction.

And the following entries in the 880 (Sundry Creditors) account are created for the three Buy transactions and the single cash book transaction.

This causes a net imbalance within the two accounts that is equivalent to the proceeds from the sale of the WOW shares.

To fix this error, contra entries need to be made to the 880 and 680 accounts so that they both balance back to zero. For example, in the following 680 account, a contra entry for the credit of $26,500 is entered.

And in the next example, a contra entry for the debit of $26,500 is entered in the 880 account.

Simple Fund General Ledger account 620/001 does not exist

Account 620/001 must exist within your Simple Fund General Ledger for Dividends Receivable information. If this account does not exist already, you must set it up.

Note, recent Simple Find versions should already contain this account, but errors will occur when you transfer data from V-Wrap to Simple Fund if this account does not exist.

This account can be added to your fund chart of accounts by doing the following:
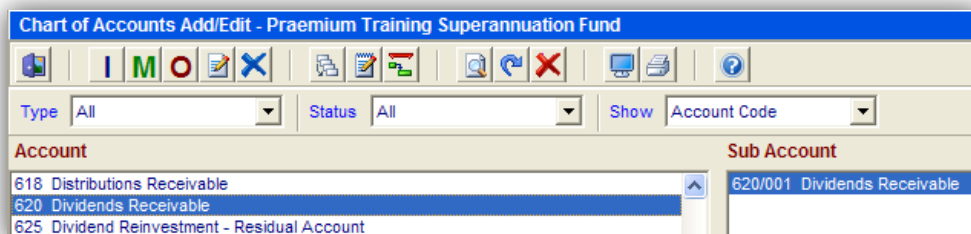
- After selecting your fund click on [Chart of Accounts].

- At the top of the screen to the right of the **Find** box, click on the [icon] icon.
- Double click on account **620/001** from the Master Chart of Accounts. The account is then added to your existing chart of accounts, as shown below.

Exporting interest income

Not all of V-Wrap's tax component categories exist in Simple Fund; for example, total interest amount and rental income. This means that, when exporting income data from V-Wrap, the total income received will be accurate, but not all the relevant tax components will be reflected in Simple Fund.

When this occurs, Simple Fund adds all un-allocated income to section **10 M Gross Trust Distributions** of the fund's tax return. This is in accordance with the ATO's *Self managed superannuation fund annual return instructions 2009* document.

If you want an income component to go to a different tax return income category, you need to manually change the entry in Simple Fund.

Income from Rights Issues are not exporting to Simple Fund

When a client does not take up a rights issue entitlement, funds can be received as income in the Income Screen. This transaction uses the security's right issue code (for example, RIOR, for a RIO rights issue).

When transferring this income entry across to Simple Fund, the transaction may not be imported. This is because rights issues expire and may no longer exist at the time you are exporting to Simple Fund.

To get around this issue, a Security Code Override can be used to convert the R and _R security codes back to the headstock code (for example, RIOR to RIO). This will then allow the transaction to be imported into Simple Fund.

Managing stapled securities between Simple Fund and V-Wrap

In Simple Fund, there is no set rule for managing stapled securities. They are reported at the head stock level only. However, in V-Wrap, both the head stock and each of the underlying securities for many of the stapled securities are recorded.. This allows V-Wrap to correctly calculate the correct tax position for each of the stapled entities. Therefore, when data transfers between V-Wrap and Simple Fund takes place, security codes may not match.

Depending on how you managed stapled securities in Simple Fund, there are two ways in which you can reconcile these security code differences:

- Recording the stapled security as a single investment (that is, the stapled security is managed in Simple Fund under the one security code).

- Recording the stapled security as multiple entities (that is, the stapled security is split into the underlying security codes in Simple Fund).

Recording the stapled security as a single investment

You would use this method if you managed stapled securities under the one security code either as a Share, Managed Fund or Unit Trust. One single **distribution** income account is used to record all the income components. Note, using a **dividend** income account, will result in tax components from the trust component being incorrectly recorded to dividend accounts.

You can manage the transfer of data for stapled securities from V-Wrap to Simple Fund by using the Security Override function in V-Wrap, described on page 17.

The override function is used to map stapled securities in V-Wrap to one security code in Simple Fund.

For example, the Westfield (WDC) security consists of the following stapled securities: WDC_WSF, WDC_WFT and WDC_WFA. By using the Security Override function, you can re-allocate these securities to the single WDC security code.

The WDC security will export to Simple Fund as the three individual securities. If you override these stapled securities to export to Simple Fund as WDC, then you will triple the quantity of securities in the asset ledgers. For example:

You can use CGT linking in Simple Fund to eliminate the extra units, by selecting the assets and adding a CGT date. For example:

Add the CGT date to link each stapled security transaction.

After you have linked the transactions by adding a CGT date, you are left with one set of units. For example:

Note also that you will need to create an asset code override, as described on page 16, so that the underlying securities which have been re-directed to the one headstock security, are placed in the correct asset class ledger.

In the example, the underlying securities which have been re-directed to WDC, retain their original asset class. Therefore, an asset class override for WDC is required to map the transactions to the correct account.

Recording the stapled security as multiple entities

You would use this method if the stapled security is split into the underlying security codes in Simple Fund.

You need to ensure that the asset's security code and asset class in Simple Fund match the security codes and class in the data exported from V-Wrap.

If they don't, use the G/L Asset Class Override, as described on page 16 to match asset classes.

Where the security code does not match, amend the code in Simple Fund.

The Simple Fund web interface

The following errors may occur during the upload process described in this document.

Præmium username and password details

The following error displays if your Præmium username and password is not entered in the Defaults screen.
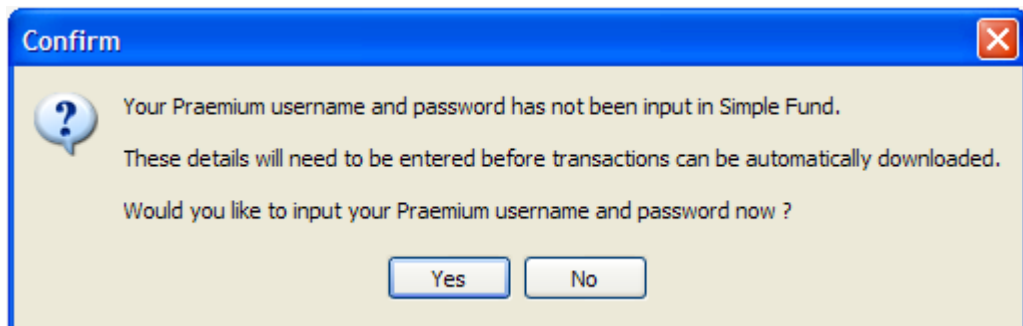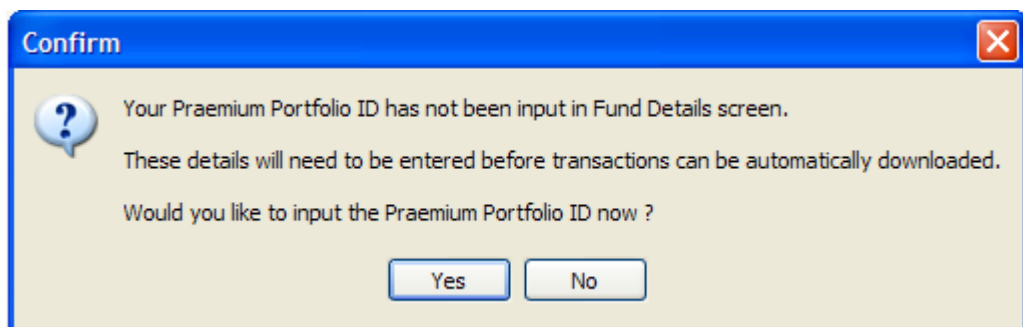

Click **Yes** to go to the Defaults screen and enter these details.

Click **No** to close this error message and cancel your attempt to upload.

Præmium portfolio ID

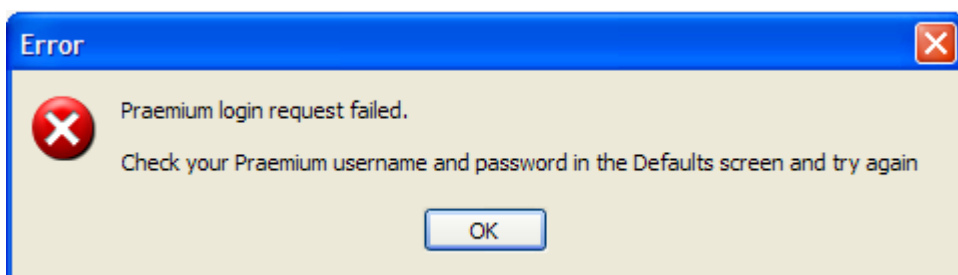The following error displays if the portfolio ID has not been entered in the Fund Details screen.

Click **Yes** to go to the Fund Details screen and enter this ID code.

Click **No** to close this error message and cancel your attempt to upload.

Incorrect Præmium login details

The following error displays if the V-Wrap username and password entered in the Defaults screen is incorrect.

Click **OK** to close the message, then return to the Defaults screen and enter the correct V-Wrap login details.
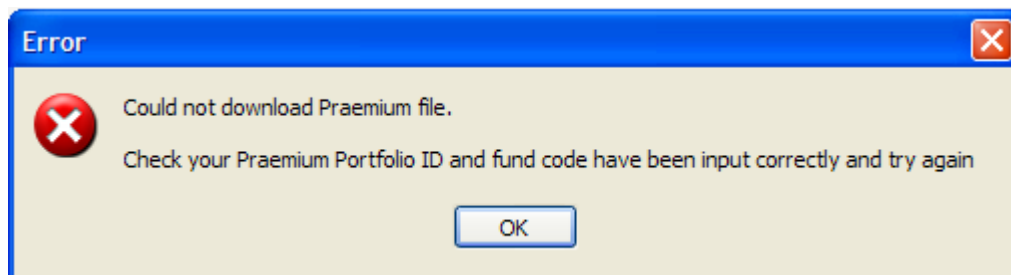
Mismatch between the Præmium portfolio ID and the Simple Fund Fund Code

The following error appears if:

- The portfolio ID entered in the Simple Fund **Fund Details** screen does not

match the portfolio ID in V-Wrap.

- The Simple Fund Fund Code in V-Wrap does not match the Fund Code in the **Fund Selection** screen in Simple Fund.
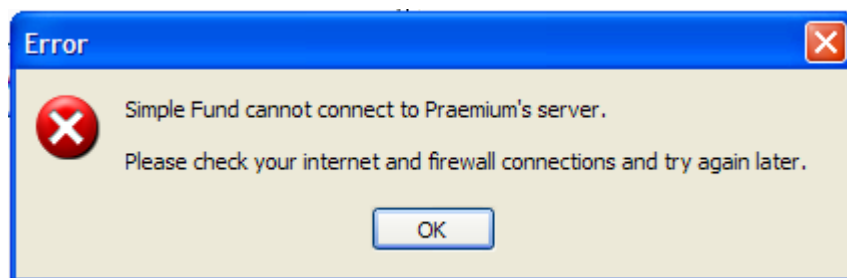
Click **OK** to close the message.

No connection to V-Wrap server

The following error occurs if:

- Your internet connection is down or running too slow.
- Your internal firewall is blocking Simple Fund from accessing the internet. You will need to configure your firewall to add Simple Fund as an exception.
- V-Wrap's server is not responding; for example, if it has been shut down for maintenance.

Click **OK** to close the message.

Before a recalculation can be done, the unit amounts need to be matched up with their cost base, which can found in the relevant General Ledger for the asset within Simple Fund.